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CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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SUBJECT Status of Agrarian Reform/Political Propaganda in Rural Areas/Mineral Exploration

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DATE ACQUIRED

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES. WITHIN THE MEANING OF TITLE 18. SECTIONS 783

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- 1. The isolated condition of rural area in vicinity of Concepción (14°35'N, 89°21'W) has resulted in Guatemalan Government activities being of limited consequence to local inhabitants. Agrarian Reform Act has not as yet affected fincas of the area, though litigation pertaining to possible expropriation of a portion of Itén Finca is in progress.
- 2. Finces of Concepcion area tend to be small, with the largest being about 2,200 acres. Coffee is the staple crop. Numerous timber stands exist. The largest fince in the area is owned by José Itén, a longtime resident of Guatemala, of Swiss citizenship. Itén is a great talker, and boasts of his political connections. He has been able successfully to postpone expropriation of seven hundred acres of his fince because of timber coverage.
- 3. Natives of the area are a mixed blood group of Spanish and Indian origin. They are uninterested in Agrarian Reform Act and have shown little enthusiasm about being awarded property. Finca life caters to their indolent nature.
- 4. Political propaganda is limited to generous application of viva Arbenz statements painted on large rocks and walls. Propaganda for or against Argenz is nil.

  There are no evident communist agitation or propaganda mediums. Border between Guatemala and both El Salvador and Honduras is open for all practical purposes in vicinity of Concepcion. Natives cross to and fro freely. Others have the same privilege.
- 5. General merchandise in stores is 90% US-made. The remaining 10% comes from the UK, Germany (Federal Republic) or Switzerland. No satellite-made goods are available. Most prominent merchant in Concepción is Jacinto Rodríguez, about 55. He is also the major coffee broker of the area. His business ethics are honest.
- 6. Mineral exploration of the La Ballena and Montenegro concessions of the Compañía Centro Americano de Minas, S.A., Concepción las Minas, during the summer 1953, established

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